



## Media Release

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**FOR IMMEDIATE RELEASE**

### City Council Discusses Proposed Budget and Property Tax Rate

TEMPLE, TX – (August 6, 2015) At their regularly scheduled meeting this evening, City Council received a presentation from City Manager Jonathan Graham on the Fiscal Year 2015-2016 Proposed Budget, conducted the initial public hearing on the budget, discussed the proposed tax rate, and scheduled the adoption of the proposed tax rate for August 27, 2015.

#### Budget Overview

The FY 2016 Budget, which runs from October 1, 2015, through September 30, 2016, is a balanced budget that totals \$140,508,327.

Revenues/Other Sources	Adopted Budget FY 2015	Proposed Budget FY 2016	% Increase/ (Decrease)
General Fund	\$ 62,749,012	\$ 65,934,694	5.08%
Water & Wastewater Fund	32,996,802	33,466,378	1.42%
Debt Service Fund	9,846,470	12,767,675	29.67%
Hotel/Motel Tax Fund	1,840,500	1,936,720	5.23%
Federal/State Grant Fund	390,268	357,357	-8.43%
Drainage Fund	1,117,803	1,138,650	1.86%
Reinvestment Zone No. 1 Fund	4,920,938	21,762,204	342.24%
<b>Total Revenues/Other Sources</b>	<b>\$ 113,861,793</b>	<b>\$ 137,363,678</b>	<b>20.64%</b>

<b>Expenditures/Transfers</b>	<b>Adopted Budget FY 2015</b>	<b>Proposed Budget FY 2016</b>	<b>% Increase/ (Decrease)</b>
General Fund	\$ 65,466,921 <b>(1)</b>	\$ 68,730,216 <b>(2)</b>	4.98%
Water & Wastewater Fund	32,996,802	33,466,378	1.42%
Debt Service Fund	10,348,690	13,319,332	28.71%
Hotel/Motel Tax Fund	1,840,500	2,356,118	28.02%
Federal/State Grant Fund	390,268	357,357	-8.43%
Drainage Fund	1,264,803	1,648,150	30.31%
Reinvestment Zone No. 1 Fund	<u>5,639,739</u>	<u>20,630,776</u>	<u>265.81%</u>
<b>Total Expenditures/Transfers</b>	<b><u>\$ 117,947,723</u></b>	<b><u>\$ 140,508,327</u></b>	<b><u>19.13%</u></b>

<sup>(1)</sup> Includes the use of \$2,717,909 in Undesignated Fund Balance - Capital Projects to fund Capital of \$1,737,909, TEDC Matrix allocation of \$880,000, and Strategic Investment Zone of \$100,000.

<sup>(2)</sup> Includes the use of \$2,795,522 in Undesignated Fund Balance - Capital Projects to fund Capital of \$2,095,522 and TEDC Matrix allocation of \$700,000.

Total revenues for the FY 2016 General Fund Budget are presented at \$65,934,694, an increase of 5.08% compared to the FY 2015 Adopted Budget. The three largest sources of revenue for the General Fund are sales tax, property tax, and solid waste charges. The FY 2016 Budget estimates \$20,335,000 in sales tax revenue, a 6.47% increase in sales tax revenue over budgeted FY 2015 sales tax revenue, \$9,451,996 in solid waste revenue is projected for FY 2016, representing a 5.10% increase from the FY 2015 solid waste revenue adopted budget of \$8,993,691. The assessed value of taxable property within the City of Temple for FY 2016 is \$3,840,746,157 which represents a 3.83% increase from the FY 2015 assessed value.

## **Budget Highlights**

The FY 2016 Budget recommends several initiatives designed to enhance public safety services. Funding is recommended for three firefighter overhire positions, establishing an in-house regional fire training academy, the addition of two outdoor warning sirens, and the replacement of Quint 6, Engine 7, and the Fire Command Vehicle.

Additionally, the Budget recommends funding an additional Police Evidence and Property Technician position, the replacement of public safety laptops, the replacement of 11 police vehicles, the addition of 3 marked police vehicles, the purchase of several police body cameras, and the replacement of ballistic vests.

In May of 2015, voters approved a \$27.7 million Parks bond package that includes 24 projects ranging from neighborhood park improvements, new community parks, new and upgraded athletic facilities, facility upgrades, water recreation projects, and linkage trails. The five cent annual tax rate impact

included as part of the bond package is reflected in the proposed budget. The FY 2016 Budget also includes operating and maintenance expenses associated with bond improvements anticipated to come online during FY 2016 including Jaycee, Carver, Western Hills, Oak Creek, Optimist, and Jefferson neighborhood parks improvements, Wilson football field, Scott & White baseball complex, and Lion's Junction deep water pool.

The FY 2016 Budget also includes the addition of a pavilion at Little Bluestem Park, the replacement of a dugout at Bakers Field, the first phase of exterior improvements at the Mayborn Center, and funding for the development of a master plan for a future botanic garden at Bend of the River.

The FY 16 Proposed Budget includes approximately \$3,000,000 in direct expenditures related to East Temple redevelopment and recommends leveraging our Community Development Block Grant (CDBG) funds to establish a Community Development program tasked with assisting with the implementation of the East Temple Redevelopment Plan. This includes establishing a Community Development Manager position to spearhead the program. Programs proposed for funding include a housing improvement program, infrastructure improvements, a demolition program, and a neighborhood clean-up program, to include proactive code enforcement.

Downtown Redevelopment continues to be a priority and this budget sees the first full year of funding the Transformation Team in partnership with the City's Reinvestment Zone. This team is a city crew dedicated to revitalization efforts in targeted areas of the city, with an initial focus on our downtown. Graham says, "The team will work with property owners to improve the appearance and safety of the targeted areas." Additionally the FY 2016 Budget recommends the addition of a Downtown Development Coordinator position to assist with retail development, infrastructure improvements and event coordination in Downtown Temple.

Addition of a residential solid waste route to include an additional automated route operator position and a solid waste truck, are proposed in this budget. "The last residential route was added in 2010," states Graham. "Since that time we have had a 22% increase in customers. We are a growing city and that impact is reflected in the need to add equipment and a route to our solid waste collection."

Additionally, the FY 2016 Budget recommends the replacement of four solid waste trucks. An approximate 5% adjustment to commercial solid waste rates is also proposed. The last adjustment to commercial solid waste rates occurred in FY 2009.

This proposed budget also includes the fourth year of a multi-year transportation capital improvement program. The Transportation CIP (TCIP) is a ten-year 126,700,000 effort to expand and maintain our major transportation infrastructure. The TCIP is a result of our recent assessments and reports on both the condition of our transportation infrastructure and the need to improve our mobility. The project areas identified in the TCIP are intended to address both the need to improve our existing transportation infrastructure and provide new capacity and connectivity.

The FY 2016 Budget includes an additional \$17,360,000 to continue the City's major capital improvement program for our utility infrastructure including work at our Water Treatment and Wastewater Treatment plants. Graham indicated, "Our utility infrastructure, no less so than our

transportation infrastructure, is extremely important to our ability to deliver services in one of our core mission areas.”

In addition to the programs and positions detailed above, the FY 2016 Budget also includes the addition of a Public Records Administrator position in the City Secretary’s Office to assist in managing the City’s public information program, an Administrative Assistant I position at the Airport to provide support for necessary administrative functions, a Troubleshooter in the Facility Services division to reduce contracted preventative maintenance and repair costs for heating, ventilation, and air conditioning and other major facility systems, a part-time Museum Development Assistant at the Railroad and Heritage Museum to assist in the coordination and growth of the Museum’s membership program, a Human Resources Generalist position to administer the City’s safety and training program, and an Environmental Compliance Technician position to administer the City’s fats, oils, and grease reduction program.

The FY 2016 Budget also provides funding for the partial year implementation of Civil Service pay plan adjustments based on the 2015 Civil Service market study.

The FY 2016 Budget also recommends continued funding for a group health insurance plan, employee retirement plan, and employee longevity program. The Budget also recommends funding for an enhanced performance pay program for general government employees and an enhanced employee engagement program.

### **Property Tax Rate**

The FY 2016 Budget is supported by the proposed tax rate totaling 62.98¢ per \$100 valuation. The proposed rate includes a decrease in the general maintenance and operations rate of (0.66¢) plus the addition of the 5.00¢ to the debt rate for the voter approved 2015 Parks Bond proposal for a total net change of 4.34¢.

#### **FY 2016 Proposed Tax Rate**

	<b>FY 2015</b>	<b>FY 2016</b>	<b>Change</b>
<b>General (M&amp;O)</b>	<b>33.00¢</b>	<b>32.34¢</b>	<b>(0.66¢)</b>
<b>Debt (I&amp;S)</b>	<b>25.64¢</b>	<b>30.64¢</b>	<b>5.00¢</b>
<b>Total</b>	<b>58.64¢</b>	<b>62.98¢</b>	<b>4.34¢</b>

The City Council will hold public hearings on the proposed tax rate on August 14 and 20 and is scheduled to adopt the proposed tax rate and the FY 2016 Proposed Budget on August 27, 2015.

The FY 2016 Proposed Budget is available in its entirety on the City of Temple’s website at [www.templetx.gov/BudgetFY16](http://www.templetx.gov/BudgetFY16).

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